Information Sheet for Industry

1. The U.S. is facing the most significant foreign intelligence threat it has ever encountered. Adversaries are successfully:

- Attacking cleared industry at an unprecedented rate
- Stealing national security information and technology
- Using multiple and varying avenues of attack
- Prioritizing targeted information
- Shifting priorities based upon their needs

As a result, they are using compromised national security information and stolen technology to upgrade their military capabilities and compete against our economy. This threat is unparalleled in our nation's history and directly affects everyone in the country.

2. Due to the significant threat, the Defense Security Service (DSS) is changing its approach to industrial security oversight

- DSS is moving from a focus on schedule-driven compliance to an intelligence-led, assetfocused, and threat-driven approach to industrial security oversight
- DSS in partnership with cleared industry will be developing, testing, and refining the new methodology through the summer 2017
- The new DSS methodology currently consists of four components that will couple NISPOM compliance with the new threat-driven approach
- The new methodology will allow DSS to work more effectively with cleared industry and program managers to design tailored security programs with the ultimate goal of helping to ensure that contracted capabilities, technologies, and services are delivered uncompromised

3. The new methodology is a fluid and dynamic model that will continue to evolve Currently, it consists of four primary components:

Prioritization

DSS will prioritize assets and facilities based on national intelligence information. This component is designed to be field-driven and not headquarters centric

Asset Identification

Prioritized assets are further delineated in this component. Assets can be defined as items of value related to a program or classified contract, the loss or compromise of which would adversely affect national security

• Threat, Vulnerability, and Impact Assessment

In this component, threats to assets are analyzed and considered, vulnerabilities to those assets are identified, and NISPOM compliance requirements are captured

• Tailored Security Programs

Tailored security programs are developed for each cleared facility in this component by working collaboratively with program managers and cleared industry

4. Throughout 2017, current industrial security oversight processes will continue

- DSS will conduct Security Vulnerability Assessments (SVAs) and maintain the importance placed on them
- The Cogswell Award process will remain the same
- DSS will internally implement some foundational efforts in advance of the move to the new methodology to include: establishing business plans at the Field Offices; conducting risk training; and implementing threat reviews prior to SVAs
- In partnership with cleared industry, DSS will conduct a series of pilots on each component in the new DSS methodology to gather lessons learned and integrate the findings into the overall process

5. Current status of DSS in Transition and next steps (as of April 2017)

- DSS launched integrated process teams (IPTs) to develop a concept of operations for the entire methodology. These IPTs, in partnership with cleared industry, will continue to develop, pilot, and refine the new methodology through summer 2017
- In developing the new methodology, we will learn as we go, make continuous improvements along the way, and apply what we've learned to help develop the other components in the process
- Once we have tested, refined, and validated the new DSS methodology by the end of summer 2017, we will have enough information to begin to consider how to gradually introduce the new methodology

6. Core principles of the new DSS methodology

- **Enterprise-wide initiative**: The new methodology is how DSS will be doing business in the future and will influence and inform everything we do
- **Learning by doing**: As DSS and cleared industry designs, tests, and validates the new methodology, the approach will continue to evolve
- **No turning back**: DSS is committed to moving to an intelligence-led, asset-focused, and threat-driven approach to industrial security oversight
- Partnering with industry: As the new methodology is developed, cleared industry will:

- o support the design and development of the components
- o participate in practical exercises to validate processes
- o analyze and challenge approaches and assumptions
- o provide feedback on communication strategies, methods, and messages
- This change benefits everyone: It will enable all involved in industrial security to become more efficient, effective, and successful in their roles